

United States Senate
WASHINGTON, DC 20510-3905

January 20, 2011

President Barack Obama
The White House
1600 Pennsylvania Avenue NW
Washington, DC 20500

Re: Supporting American manufacturers

Dear Mr. President:

As you prepare for your second State of the Union address, I write to encourage you to use the occasion to highlight your commitment to supporting domestic manufacturing. The American manufacturing sector has been hit harder than most in recent years, suffering not just from the weak economic climate but also from increased production costs and foreign competition. Once the backbone of the American economy, the manufacturing sector has declined sharply in recent years. According to the Bureau of Labor Statistics, the number of manufacturing jobs declined by almost a third over the past decade from 17.2 million in 2000 to 11.7 million in 2010. This decline has been felt most sharply in states like Rhode Island with economies that have historically centered on a strong manufacturing industry.

From addressing unfair currency manipulation that benefits Chinese producers to providing greater access to capital for U.S. companies, there is much that we can do to help American manufacturers. In particular, I want to bring your attention to the Offshoring Prevention Act, which I plan to introduce next week. This bill, similar to legislation authored by Senator Byron Dorgan, would prohibit U.S. companies that base their factories in foreign countries from deferring the payment of U.S. income taxes on that income. This would help to level the playing field for U.S. producers and to remove a powerful incentive for offshoring jobs.

I also ask you to support legislation that I soon plan to reintroduce which would provide small, family-owned firms with a realistic reorganization option in bankruptcy. Chapter 11 is expensive and wipes out equity, and small business owners currently have little opportunity to restructure their firms. My Small Business Jobs Preservation Act would give smaller company owners a chance to reorganize and stay in business through a process similar to that available to family farms in Chapter 12 of the Bankruptcy Code. My bill would keep companies in business and preserve jobs at zero cost to the taxpayers.

Thank you for considering this request and for the work that you have already done to support American manufacturing. I look forward to working with you in the new Congress to preserve and create American jobs.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Sheldon Whitehouse', with a stylized, flowing script.

Sheldon Whitehouse
United States Senator